LNG distribution in the Baltic region
Agenda

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Alexela Group structure
Bunker fuel logistics chain

Supply market
- Regional production
- Regional scale import terminal

Distribution market
- Small-scale terminal
  - Truck
  - Barge
  - Feeder

Consumer market
- Ship
LNG Logistics

Trucks and Barges are solutions to the same problem: how to re-fuel vessels running on LNG.

**CHOICE**

- **Technical**
  1) Tank holding time
  2) Re-fuelling frequency
  3) Volume needed at once

- **On paper**
  1) Regulatory limitations
  2) Economics

Feeder vessels are used to supply break-bulk terminals. Could they double as barges? When do we need break-bulk?

**CHOICE**

- **Technical**
  1) Tank holding time
  2) Re-fuelling frequency
  3) Volume needed at once – *synergies with off-grid users*

- **On paper**
  1) Regulatory limitations
  2) Economics
Supply market

We foresee an import pool happening in the area in order to achieve best import terms.
- A pool of traders negotiates a supply contract for the region (regardless if the supplier is regional or Global)
- The large-scale cargo arrives in the local supply market and gets distributed between the traders for distribution and consumption.

Guaranteed best price and terms due to the larger size of the counterparty for supplier. Best logistics price do to larger import vessel (if Global supplier).

Distribution market

We find it unlikely that ships will ever start to moor to a dedicated re-fuelling dock
Distribution will happen through
- **trucking** (mostly within one port or short distances)
- bunker **barge** (mostly close by ports which require large volumes at once)
- through **break-bulk terminals** which are far from supply hubs and then distribute further through barges and trucks
- there is a flexibility for **hybrids**: feeder barge and multi-fuel carriers

The ultimate choice of distribution scheme depends on: volume, economics and market maturity level.
Balti Gaas and the LNG terminal

Role in the bunker market

Since the market is still developing and best practices are evolving with time, we have designed the terminal with an eye on flexibility:

Un-loading
- ≤ 12 000 m³/h
- ≤ 175 000 m³ LNGC

Re-loading - LNGC
- 500 – 5 000 m³/h
- 1 500 – 75 000 m³ LNGC

Re-loading – Truck
- ≤ 75 m³/h
- 2 loading bays

Storage
- 160 000 m³
Balti Gaas and the LNG terminal

Status and timeline

Paldiski project is:
- EU project of common interest (PCI)
- part of Estonian-Finnish MoU for compromise regional terminal solution
- in a LoI with Port of Tallinn for landlord port services

PCI means:
- The project is entitled to expedited planning and regulatory procedures
- The project has access to EIB, EIF, EBRD
- The project is eligible to apply for EU support under CEF grants for works.
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AITÄH!